



# County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA  
Chief Executive Officer

July 22, 2008

To: Supervisor Yvonne B. Burke, Chair  
Supervisor Gloria Molina  
Supervisor Zev Yaroslavsky  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

From: William T Fujioka  
Chief Executive Officer

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Fifth District

## STATUS REPORT - GLOBAL TEL\*LINK TRANSITION OF INMATE TELEPHONE SERVICES

On June 24, 2008, your Board expressed concerns regarding the inability of inmates to place telephone calls following the transition of the telephone contract from AT&T to Global Tel\*Link (GTL). As a result, the Chief Executive Office (CEO) was instructed to investigate this matter and report back. Our findings are contained herein.

### Overview of Transition

Our review determined the terms of the contract agreement, including services required, did not change with the transition from AT&T to GTL. Therefore, no service interruption was anticipated. However, we did find a difference in an underlying policy of the new contractor with regards to the establishment of user accounts. An explanation of that difference is provided below.

GTL and AT&T services rely on billing agreements with carriers in the coverage area. When the transition to GTL took place, the number of billing agreements available was not as widespread as compared to AT&T. This caused some telephone numbers within the old AT&T area to effectively become unbillable at the time of the transition. As a result, GTL attempted to establish billing agreements for areas not previously their own. At the same time, in areas where billing agreements were not or could not successfully be established by the time

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of transition, an alternate means of billing referred to as "advance pay" was utilized, which is an automated feature of GTL's system.

The establishment of an advance pay account is required of all call recipients in the event a billing agreement does not exist between telephone service providers or when the individual customer receiving the collect call has poor credit history. Advance pay simply requires payment in advance, with a credit card being the most common means of establishing an account. The advance pay requirement may be required at the onset for a variety of reasons, including the absence of a billing agreement. Therefore, the constant is simply that an advance pay is an advance payment and will take place before the call is allowed and better secures the company's ability to reduce bad debt exposure.

Additionally, the GTL system is set up to guard against fraud and bad debt through the use of a "threshold amount." A threshold amount is a limit imposed by the telephone company on customers in order to avoid excessive billing, which increases the likelihood the service provider will collect the debt owed. A threshold amount is constrained by certain day and week limits. Once the threshold amount is reached, the automated system disallows calls and requests the call recipient to establish an advance pay account.

During the transition GTL lowered the threshold amount allowed, which caused GTL's system to prompt the call recipient that an advance pay account would need to be established to enable the call. Hence, some telephone numbers from County entities such as the Public Defender and Alternate Public Defender were adversely affected. The criteria for prompting the advance pay notice was dependent on if the telephone numbers came from telephone service areas with or without billing agreements and/or the amount of calls made each day or week.

### **Impact on County and other Public Agencies from the Advance Pay Policy**

On June 12, 2008, the CEO and the Sheriff Department were notified by the Public Defender that telephone calls from inmates were being blocked by GTL, followed by an automated request for establishing an advance pay account. Since then, the Sheriff Department's Inmate Services Unit has requested the Internal Services Department (ISD) to provide a listing of County telephone numbers associated with those calls from custody facilities to various County entities that receive collect calls from inmates. With the list generated from ISD, the Inmate Services Unit directed GTL to work around their system's auto generated advance pay requirement for approximately 3,500 telephone numbers so that collect calls coming from inmates would no longer be blocked.

This solution required the Inmate Services Unit to conduct an audit of telephone numbers associated with County entities wherein collect calls were being received. The total billing amount of those telephone numbers audited have not averaged more than \$300 in any given month. As a result, to ensure calls to telephone numbers associated with these County entities would not be blocked, a monthly advance pay account of \$5,000 was established to guard against the system prompting the recipient to set up an advance pay account. The Inmate Services Unit is currently working with GTL to determine whether this solution is adequate or whether a more effective means exists to accomplish this same end and whether this cap has proven to be sufficient in ensuring all calls reach their destination.

Since GTL increased the advance pay amount to \$5,000 per month, the Public Defender's Office has indicated that a vast majority of the attorney telephone numbers are now accessible by inmates without interruption. The Public Defender's Office now considers new problems as isolated events, which are being reported to dedicated personnel within the Sheriff Department to assist in these particular matters.

A further concern was raised that the American Civil Liberties Union (ACLU) may also be experiencing similar advance pay account issues when receiving inmate calls. The Inmate Services Unit and GTL have contacted the ACLU regarding this problem and have collaborated to solve this problem. Since their initial meeting, the telephone number for the ACLU has been identified and a monthly advance pay amount of \$20,000 has been established on the telephone number to guard against the auto system prompting the ACLU to set up an advance pay account.

### **Impact on the Public from the Advance Pay Requirement**

Under current GTL business practice, the absence of a billing agreement between telephone service providers still require the public customers wanting to receive a telephone call from an inmate to set up advance pay accounts. However, GTL is currently negotiating with other telephone service providers on billing agreements that will reduce the number of customers required to create advance pay accounts.

Customers with poor credit histories may still be required to set up advance pay accounts. In these instances GTL does not stand alone, as phone carriers such as AT&T also utilize Line Information Data Base (LIDB) records to assess risk and decipher which phone numbers they will allow deferred billing versus imposing stricter terms, such as advance pay requirements, to guard against bad debt.

### **Departure from the Original AT&T Contract**

A concern was raised that the advance pay policy implemented may constitute a significant departure from the original contract terms as agreed to in the AT&T agreement and subsequently the GTL extension agreement. The CEO and the Sheriff Department have been in consultation with County Counsel to determine if the terms of the agreed upon contract have been violated. We are still in the process of evaluating this matter. A report of our findings will be provided to the Board at the earliest opportunity.

### **Remaining Issues**

The CEO, in conjunction with the Sheriff Department, will continue the investigation on the remaining issues. Further updates will be provided to the Board as soon as possible. The outstanding issues include:

- Presently, GTL sets certain thresholds for telephone calls within a given period of time. When a threshold is exceeded, GTL will launch an auto prompt for an advance pay solution in an effort to avert bad debt. The Inmate Services Unit has conveyed to GTL the County's position that GTL assume the general contractual rights and responsibilities as AT&T.

In an effort to better understand GTL's business practice, Inmate Services Unit has confirmed the thresholds GTL presently has in place for 1 day, 3 day, 7 day, and 14-30 day usage. The threshold blocks are as follows:

<b>DAYS</b>	<b>AMOUNT</b>
1	\$35
3	\$100
7	\$150
14-30	\$200

The Inmate Services Unit will be exploring whether these thresholds are identical to those in place prior to the AT&T departure (when GTL had only some of the billing area) and will be confirming how AT&T attended to this area while they were still in place.

- Inmate Services Unit will continue to monitor the \$5,000 threshold to validate the amount allocated is sufficient to ensure that County entities' collect calls can be expected to be receivable without exception.

- The CEO and the Inmate Services Unit will continue to collaborate with County Counsel, as is appropriate, regarding the Board's concerns about the billing mechanism being a significant departure from the original contract terms.

Should you have any questions regarding the information contained in this report or any other issue surrounding this matter, please contact Deputy Chief Executive Officer Doyle Campbell, Public Safety, at (213) 893-2374.

WTF:SRH:RDC  
JW:DC:llm

c: Executive Officer, Board of Supervisors  
County Counsel  
Sheriff Department  
Internal Services Department